

**RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/13/11

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
TABLE OF CONTENTS  
DECEMBER 31, 2010

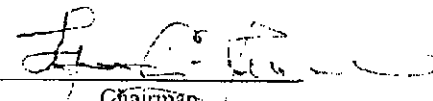
	<u>Exhibit</u>	<u>Schedule</u>	<u>Page</u>
Affidavit	-	-	1
Independent Auditors' Report	-	-	2
Management's Discussion and Analysis	-	-	3
Statement of Net Assets	A	-	8
Statement of Activities	B	-	9
Balance Sheet - Governmental Funds	C	-	10
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	-	11
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	E	-	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	-	13
Notes to the Financial Statements	-	-	14
Required Supplementary Information	-	-	19
Schedule of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds - Budget (GAAP Basis) and Actual	-	1	20
Other Supplementary Information	-	-	21
Schedule of Findings and Questioned Costs	-	2	22
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	-	-	23
Summary Schedule of Prior Findings	-	3	25
Corrective Action Plan for Current Year Findings	-	4	26
Management Letter	-	-	27

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

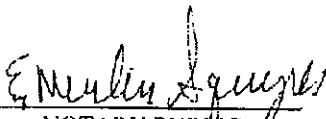
Legislative Auditor  
P. O. Box 94397  
Baton Rouge, LA 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, Lem Jones, Chairman of the Red River Parish Communications District, who duly sworn, deposes and says, that the financial statements herewith given presents fairly the financial position of Red River Parish Communications District at December 31, 2010 and the results of operations for the year then ended in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

  
Chairman

Sworn to and subscribed before me, this 25<sup>th</sup> day of May, 2011.

  
NOTARY PUBLIC  
E. Mentin Sguayres, DT# 033169

# HINES, SHEFFIELD & SQUYRES, L.L.C.

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## INDEPENDENT AUDITORS' REPORT

Red River Parish Communications District  
P.O. Box 407  
Coushatta, Louisiana 71019

We have audited the accompanying basic financial statements of the Red River Parish Communications District, Coushatta, Louisiana, a component unit of the Red River Parish Police Jury, as of and for the year ended December 31, 2010, as listed in the table of contents. These basic financial statements are the responsibility of the Red River Parish Communications District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Red River Parish Communications District as of December 31, 2010, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated May 25, 2011, on our consideration of the Red River Parish Communications District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the budgetary information on pages 3 through 7 and 20, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Red River Parish Communications District's basic financial statements. The accompanying supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The financial information for the year ended December 31, 2009, which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion dated June 21, 2010, on the basic financial statements of the Red River Parish Communications District.

***Hines, Sheffield & Squyres***

Natchitoches, Louisiana  
May 25, 2011

**RED RIVER PARISH COMMUNICATIONS DISTRICT**  
**COUSHATTA, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2010**

The Management's Discussion and Analysis of the Red River Parish Communications District's financial performance presents a narrative overview and analysis of Red River Parish Communications District's financial activities for the year ended December 31, 2010. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the Red River Parish Communications District's financial statements, which begin on page 8.

**FINANCIAL HIGHLIGHTS**

- 1) The Red River Parish Communications District had cash of \$137,474 at December 31, 2010 which represents an increase of \$13,382 from prior year end.
- 2) The Red River Parish Communications District had accounts receivable of \$12,749 at December 31, 2010 which represents an increase of \$2,661 from prior year end.
- 3) The Red River Parish Communications District had accounts payable and accruals of \$2,608 at December 31, 2010 which represents a decrease of \$278 from prior year end.
- 4) The Red River Parish Communications District had total revenues of \$87,350 for the year ended December 31, 2010 which represents a decrease of \$51,594 from prior year.
- 5) The Red River Parish Communications District had total expenses of \$107,974 for the year ended December 31, 2010 which represents an increase of \$6,241 from prior year.
- 6) The Red River Parish Communications District had personal services expenses of \$22,813 for the year ended December 31, 2010 which represents an increase of \$10,897 from prior year.
- 7) The Red River Parish Communications District had operating services expenses of \$40,989 for the year ended December 31, 2010 which represents a decrease of \$1,434 from prior year.
- 8) The Red River Parish Communications District had supplies expenses of \$0 for the year ended December 31, 2010 which represents a decrease of \$2,843 from prior year.
- 9) The Red River Parish Communications District had capital asset purchases of \$2,695 for the year ended December 31, 2010 which represents a decrease of \$23,422 from prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The following graphic illustrates the minimum requirements for the Red River Parish Communications District as established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments.

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2010

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

Management Discussion and Analysis

Basic Financial Statements

Required Supplementary Information  
(Other than MD&A)

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

**Basic Financial Statements**

This annual report consist of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 8 and 9) provide information about the activities of the Red River Parish Communications District as a whole and present a longer-term view of the District's finances. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Assets and the Statement of Activities report the District's net assets and changes in them. You can think of the District's net assets, the difference between assets and liabilities, as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net assets are one indicator of whether its financial health is improving or deteriorating.

Fund financial statements start on page 10. All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's activities as well as what remains for future spending.

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2010

**FINANCIAL ANALYSIS OF THE ENTITY**

Statement of Net Assets  
As of Year End

	<u>2010</u>	<u>2009</u>
Current and other assets	\$ 150,223	\$ 134,180
Capital assets, net	<u>231,765</u>	<u>268,710</u>
Total Assets	<u>\$ 381,988</u>	<u>\$ 402,890</u>
Accounts payable and accruals	\$ 2,608	\$ 2,886
Compensated absences payable	<u>0</u>	<u>0</u>
Total Liabilities	<u>2,608</u>	<u>2,886</u>
Net assets		
Investment in capital assets, net of related debt	231,765	268,710
Unrestricted	<u>147,615</u>	<u>131,294</u>
Total Net Assets	<u>379,380</u>	<u>400,004</u>
Total Liabilities and Net Assets	<u>\$ 381,988</u>	<u>\$ 402,890</u>

Net assets of the Red River Parish Communications District decreased by \$20,624 or 5.16% from the previous fiscal year. The decrease is the result of general expenses exceeding revenues during the fiscal year ended 2010 (See table below).

Statement of Activities  
For the Year Ended

	<u>2010</u>	<u>2009</u>
General government		
Expenses	\$ (107,974)	\$ (101,733)
Program revenues		
Operating grants and contributions	300	0
Capital grants and contributions	<u>0</u>	<u>38,072</u>
Subtotal	<u>(107,674)</u>	<u>(63,661)</u>
General revenues	<u>87,050</u>	<u>100,872</u>
Change in net assets	<u>\$ (20,624)</u>	<u>\$ 37,211</u>

The Red River Parish Communications District's total revenues decreased by \$51,594 or 37.13% from the previous year. The total cost of all programs and services increased by \$6,241 or 6.13% from the previous year.

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2010

**CAPITAL ASSET AND DEBT ADMINISTRATION**

Capital Assets

At the end of 2010, the Red River Parish Communications District had \$231,765, net of depreciation, invested in a broad range of capital assets (See table below). This amount represents a net decrease (including additions and deductions) of \$36,945 or 13.75% from the previous year.

Capital Assets at Year End (Net of Depreciation)		
	<u>2010</u>	<u>2009</u>
Buildings and building improvements	\$ 28,840	\$ 33,575
Equipment, furniture and fixtures	<u>202,925</u>	<u>235,135</u>
Total	<u>\$ 231,765</u>	<u>\$ 268,710</u>

This year's major additions included:

Equipment, furniture, and fixtures	\$ 2,695
------------------------------------	----------

This year's major retirements included:

None.

Debt

The Red River Parish Communications District had \$0 in compensated absences payable outstanding at year end compared to \$0 at the previous year end, no change as shown in the table below.

Outstanding Debt at Year End		
	<u>2010</u>	<u>2009</u>
Compensated absences payable	\$ 0	\$ 0
Totals	<u>\$ 0</u>	<u>\$ 0</u>

New debt during the year included:

None.

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2010

**VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS**

Actual revenues were \$2,650 less than budgeted amounts due to intergovernmental revenues being less than expected.

Actual expenditures were \$27,971 less than budgeted amounts due to operating services and capital outlay being less than expected.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Red River Parish Communications District's management considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Taxes
- 2) Interest income
- 3) Miscellaneous revenues

The Red River Parish Communications District does not expect any significant changes in next year's results as compared to the current year.

**CONTACTING THE RED RIVER PARISH COMMUNICATIONS DISTRICT'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Red River Parish Communications District's finances and to show the Red River Parish Communications District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Lem Jones, Chairman, P. O. Box 407, Coushatta, Louisiana 71019.

## EXHIBIT A

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
Current Assets		
Cash	\$ 137,474	\$ 124,092
Accounts receivable	<u>12,749</u>	<u>10,088</u>
Total Current Assets	150,223	134,180
Noncurrent Assets		
Capital assets, net	<u>231,765</u>	<u>268,710</u>
Total Assets	<u>\$ 381,988</u>	<u>\$ 402,890</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable and accruals	\$ 2,608	\$ 2,886
Total Current Liabilities	2,608	2,886
Noncurrent Liabilities		
Compensated absences payable	<u>0</u>	<u>0</u>
Total Liabilities	2,608	2,886
<b>NET ASSETS</b>		
Investment in capital assets, net of related debt	231,765	268,710
Unrestricted	<u>147,615</u>	<u>131,294</u>
Total Net Assets	<u>379,380</u>	<u>400,004</u>
Total Liabilities and Net Assets	<u>\$ 381,988</u>	<u>\$ 402,890</u>

See accompanying notes and accountants' report.

EXHIBIT B

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010				2009
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
General Government					
Personal services	\$ 22,813	\$ 0	\$ 0	\$ 0	\$ (11,916)
Travel	1,532	0	0	0	(2,371)
Operating services	40,989	0	300	0	(42,423)
Supplies	0	0	0	0	(2,843)
Professional services	3,000	0	0	0	(3,000)
Depreciation	39,640	0	0	0	(1,108)
Total General Government	\$ 107,974	\$ 0	\$ 300	\$ 0	\$ (63,661)
General Revenues					
Taxes					
Communications					79,563
Other					21,309
Transfers (police jury)					0
Total General Revenues and Transfers					100,872
Change in Net Assets					(20,624)
Net Assets, Beginning of year					362,793
Net Assets, End of year					\$ 379,380
					\$ 400,004

See accompanying notes and accountants' report.

EXHIBIT C

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash	\$ 137,474	\$ 124,092
Accounts receivable	<u>12,749</u>	<u>10,088</u>
Total Assets	<u>\$ 150,223</u>	<u>\$ 134,180</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accruals	\$ 2,608	\$ 2,886
Total Liabilities	<u>2,608</u>	<u>2,886</u>
FUND BALANCES		
Unreserved	<u>147,615</u>	<u>131,294</u>
Total Fund Balances	<u>147,615</u>	<u>131,294</u>
Total Liabilities and Fund Balances	<u>\$ 150,223</u>	<u>\$ 134,180</u>

See accompanying notes and accountants' report.

EXHIBIT D

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATIA, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
DECEMBER 31, 2010

Total Fund Balances for Governmental Funds (Exhibit C) \$ 147,615

Total Net Assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Buildings and building improvements, net of \$18,511 in Accumulated depreciation	\$ 28,840	
Furniture, fixtures and equipment, net of \$107,458 in accumulated depreciation	<u>\$ 202,925</u>	
Total Capital Assets		231,765

Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported in the fund liabilities.

0

Total Net Assets of Governmental Activities (Exhibit A) \$ 379,380

EXHIBIT E

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
REVENUES		
Taxes		
Communications	\$ 87,050	\$ 79,563
Intergovernmental	300	38,072
Other	<u>0</u>	<u>21,309</u>
Total Revenues	87,350	138,944
EXPENDITURES		
General government		
Personal services	22,813	11,916
Travel	1,532	2,371
Operating services	40,989	42,423
Supplies	0	2,843
Professional services	3,000	3,000
Capital outlay	<u>2,695</u>	<u>26,117</u>
Total Expenditures	71,029	88,670
Excess/(Deficiency) Of Revenues Over Expenditures	16,321	50,274
Fund Balance, Beginning of year	<u>131,294</u>	<u>81,020</u>
Fund Balance, End of year	<u>\$ 147,615</u>	<u>\$ 131,294</u>

See accompanying notes and accountants' report.

EXHIBIT F

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010

Net Change in Fund Balances-Total Governmental Funds (Exhibit E)	\$	16,321
The change in Net Assets reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$39,640) exceeds capital outlay (\$2,695) in the current period.		
		(36,945)
Some expense reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		<u>0</u>
Change in Net Assets of Governmental Activities (Exhibit B)	\$	<u>(20,624)</u>

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2010

The Red River Parish Communications District was created on September 14, 2006, by Ordinance 05-2006 of the Red River Parish Police Jury. The District is charged with forming and operating an emergency response system for Red River Parish to be operated as a "911" system. The District is governed by a board of 7 commissioners appointed by the Police Jury.

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.            Basis of Accounting**

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This Codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Red River Parish Communications District present information only as to the transactions of the programs of the Red River Parish Communications District as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Red River Parish Communications District are maintained in accordance with applicable statutory provisions:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

**B.            Budgetary Accounting**

Formal budgetary accounting is employed as a management control. The Red River Parish Communications District prepares and adopts a budget prior to July 1 of each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The District amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2010

**NOTE 1        SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C.        Cash and Cash Equivalents**

For the purpose of the Statement of Cash Flows and consistent with GASB Statement 9, the Red River Parish Communications District defines cash and cash equivalents as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

**D.        Receivables**

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

**E.        Bad Debts**

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2010, \$0 were considered to be uncollectible.

**F.        Capital Assets**

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Red River Parish Communications District are charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Assets. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

**G.        Compensated Absences**

The Red River Parish Communications District does not have full time employees; therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

**H.        Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2010

**NOTE 2      DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**A.      Deposits with Financial Institutions**

For reporting purposes, deposits with financial institutions including savings, demand deposits, time deposits, and certificates of deposit. Under state law the Red River Parish Communications District may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further the Fund may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The deposits at December 31, 2010 were secured as follows:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Total</u>
Deposits in bank accounts per balance sheet	\$ 137,474	\$ 0	\$ 137,474
<b>Bank Balances (Category 3 Only, If Any)</b>			
a. Uninsured and uncollateralized	\$ 0	\$ 0	\$ 0
b. Uninsured and uncollateralized with securities held by the pledging institution	0	0	0
c. Uninsured and uncollateralized with securities held by the pledging institution's trust department or agent but not in the entity's name	0	0	0
Total Category 3 Bank Balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Bank Balances (All Categories Including Category 3 Reported Above)	<u>\$ 137,749</u>	<u>\$ 0</u>	<u>\$ 137,749</u>

The following is a breakdown by banking institution and amount of the balances shown above:

<u>Banking Institution</u>	<u>Amount</u>
American Bank & Trust Company	<u>\$ 137,749</u>
Total	<u>\$ 137,749</u>

**B.      Investments**

At December 31, 2010, the Red River Parish Communications District had investments of \$0.

**RED RIVER PARISH COMMUNICATIONS DISTRICT**  
**COUSHATTA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2010**

**NOTE 3        ACCOUNTS RECEIVABLE**

The following is a summary of accounts receivable at December 31, 2010:

<u>Class of Receivable</u>	
Taxes	
Communications	\$        12,749
Other	<u>                    0</u>
 Total	 <u><u>\$        12,749</u></u>

**NOTE 4        CAPITAL ASSETS**

A summary of the Red River Parish Communications District's capital assets at December 31, 2010 follows:

	Balance December 31, 2009	Additions	Retirements	Balance December 31, 2010
Buildings and Building Improvements	\$        47,351	\$            0	\$            0	\$        47,351
Less accumulated depreciation	<u>(13,776)</u>	<u>(4,735)</u>	<u>0</u>	<u>(18,511)</u>
Total Buildings and Building Improvements	33,575	(4,735)	0	28,840
 Equipment, Furniture and Fixtures	 307,688	 2,695	 0	 310,383
Less accumulated depreciation	<u>(72,553)</u>	<u>(34,905)</u>	<u>0</u>	<u>(107,458)</u>
Total Equipment, Furniture and Fixtures	<u>235,135</u>	<u>(32,210)</u>	<u>0</u>	<u>202,925</u>
 Total Capital Assets, net	 <u><u>\$        268,710</u></u>	 <u><u>\$        (36,945)</u></u>	 <u><u>\$            0</u></u>	 <u><u>\$        231,765</u></u>

**NOTE 5        ACCOUNTS PAYABLE AND ACCRUALS**

The following is a summary of accounts payable at December 31, 2010:

<u>Class of Payable</u>	
Vendor	\$            949
Payroll liabilities	<u>                  1,659</u>
 Total	 <u><u>\$            2,608</u></u>

**NOTE 6        LEASES**

The Red River Parish Communications District was not obligated under any noncancellable capital or operating lease commitments at December 31, 2010.

**NOTE 7        LITIGATION**

There was no outstanding litigation against the Red River Parish Communications District at December 31, 2010.

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2010

**NOTE 8            COMPENSATION PAID TO BOARD MEMBERS**

The members of the Board of Commissioners of the Red River Parish Communications District receive no compensation for their services. As of December 31, 2010, the members of the Board were as follows:

Cindy Coffey  
Jessie Davis  
Shane Felts  
Edgar Gaddis  
Lem Jones  
Johnny Norman  
John Youngblood

## **REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE 1

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Original/Final Budget</u>	<u>Actual</u>	<u>Variance Fav./ (Unfav.)</u>
<b>REVENUES</b>			
Taxes			
Communications	\$ 85,000	\$ 87,050	\$ 2,050
Intergovernmental	5,000	300	(4,700)
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	90,000	87,350	(2,650)
<b>EXPENDITURES</b>			
General government			
Personal services	25,000	22,813	2,187
Travel	3,000	1,532	1,468
Operating services	49,500	40,989	8,511
Supplies	0	0	0
Professional services	3,200	3,000	200
Capital outlay	<u>18,300</u>	<u>2,695</u>	<u>15,605</u>
Total Expenditures	<u>99,000</u>	<u>71,029</u>	<u>27,971</u>
Excess/(Deficiency) Of Revenues Over Expenditures	(9,000)	16,321	25,321
Fund Balance, Beginning of year	<u>131,294</u>	<u>131,294</u>	<u>0</u>
Fund Balance, End of year	<u>\$ 122,294</u>	<u>\$ 147,615</u>	<u>\$ 25,321</u>

## **OTHER SUPPLEMENTARY INFORMATION**

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2010

**SECTION #1**

**SUMMARY OF AUDITORS' RESULTS**

FINANCIAL STATEMENTS

- |    |  |               |
|----|--|---------------|
| 1. | Type of auditors' report issued.   | Unqualified   |
| 2. | Internal control over financial reporting:   |               |
|    | a) Material weakness(es) identified?   | No            |
|    | b) Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| 3. | Noncompliance material to financial statements noted?  | No            |

**SECTION #2**

FINANCIAL STATEMENT FINDINGS

- 2010-01          Payroll reports for the year ended December 31, 2010 were not always filed timely.

# HINES, SHEFFIELD & SQUYRES, L.L.C.

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Red River Parish Communications District  
P.O. Box 407  
Coushatta, Louisiana 71019

We have audited the accompanying basic financial statements of the Red River Parish Communications District, Coushatta, Louisiana, a component unit of the Red River Parish Police Jury, as of and for the year ended December 31, 2010, and have issued our report thereon dated May 25, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Red River Parish Communications District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Red River Parish Communications District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Red River Parish Communications District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Red River Parish Communications District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under Government Auditing Standards. A description of the finding can be found at finding 2010-01 of the accompanying Corrective Action Plan For Current Year Audit Findings, Schedule 4.

Page #2

This report is intended solely for the information and use of the Red River Parish Communications District, management and the Louisiana State Legislative Auditor and is not intended to be, and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Hines, Sheffield & Squyres***

Natchitoches, Louisiana

May 25, 2011

SCHEDULE 3

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2010

<u>Ref. No.</u>	<u>Fiscal Year</u>	<u>Description of Finding</u>	<u>Corrective</u>	<u>Planned Corrective</u>
	<u>Finding</u>		<u>Action Taken</u>	<u>Action/Partial</u>
	<u>Initially</u>		<u>(Yes, No,</u>	<u>Corrective</u>
	<u>Occurred</u>		<u>Partially)</u>	<u>Action Taken</u>

Nothing came to our attention that would require disclosure under Government Auditing Standards.

SCHEDULE 4

RED RIVER PARISH COMMUNICATIONS DISTRICT  
COUSHATTA, LOUISIANA  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2010

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
2010-01	Payroll reports for the year ended December 31, 2010 were not always filed timely.	Management will review all payroll reports and ensure they are filed timely.	Lem Jones, Chairman	6/30/2011

## HINES, SHEFFIELD & SQUYRES, L.L.C.

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Red River Parish Communications District  
P.O. Box 407  
Coushatta, Louisiana 71019

We are writing this letter as a follow-up to our recent audit of the basic financial statements of the Red River Parish Communications District, Coushatta, Louisiana, a component unit of the Red River Parish Police Jury, as of December 31, 2010, and for the year then ended. We offer the following observations and recommendations, which are intended to help improve compliance, record keeping procedures and general operations of the Red River Parish Communications District and are intended to be constructive in nature:

Existing Conditions:

Payroll reports for the year ended December 31, 2010 were not always filed timely.

Recommended Action:

We suggest the Red River Parish Communication District 's management review all payroll reports and ensure they are filed timely.

Management's Response:

Management will review all payroll reports and ensure they are filed timely.

These comments and recommendations are not all inclusive and are not intended to be critical of anyone. We would like to thank the Red River Parish Communications District's management and staff for their courtesy and cooperation during our engagement. If you have any questions or concerns, please let us know.

***Hines, Sheffield & Squyres***

Natchitoches, Louisiana

May 25, 2011